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SUBJECT: CZECH POLITICS: TOPOLANEK LOSES VOTE OF CONFIDENCE; PRESIDENT APPEARS TO FAVOR TECHNOCRATIC GOVERNMENT

REF: A. PRAGUE 1207

**B. PRAGUE 1239

- 11. (SBU) SUMMARY. As expected, the Topolanek government failed to win the vote of confidence and will formally resign on October 11, although it will continue serving until a new cabinet is named. President Klaus has said this will not happen until after the Senate and municipal elections later this month. The President is sending strong signals that he prefers to appoint a technocratic government that would rule until early elections next spring, although former PM Paroubek continues to insist that he deserves a chance. The next month is likely to produce numerous twists and turns, both following election results and as a result of struggles for leadership among ODS and the Christian Democrats. Meanwhile, Parliament has essentially stopped working for a month and the Czech public is increasingly fed up and losing interest in national politics. END SUMMARY
- ¶2. (SBU) To the surprise of no one (Ref A), the Topolanek government failed to win the vote of confidence on October 4, four weeks after taking office and 17 weeks after inconclusive general election. The vote was 96-99, with all Social Democrat (CSSD) and Communist (KSCM) deputies voting against (one CSSD deputy was in the hospital; in a widely-appreciated sign of fair play, Topolanek himself left the chamber during the vote to balance the ill deputy). Topolanek's cabinet won the support of all ODS members, all the Greens, and 10 of 13 Christian Democrats (KDU-CSL). Three KDU-CSL deputies left the chamber, including former KDU-CSL Chair Kalousek. Most post-vote discussion focused on the motives of the KDU-CSL deputies, which is likely what Kalousek had hoped. Speculation grew that Kalousek was sending a sign that he and his fellow travelers were available to split ranks with KDU-CSL and support a CSSD minority government that would depend on KSCM -- exactly the scenario that forced a revolt within KDU-CSL in August and cost Kalousek his position as party leader (and lost the party considerable public support). In the end Acting Party Chair Jan Kasal got each of the 13 KDU-CSL deputies to sign a statement pledging not to support or join a government that relies on KSCM.
- 13. (SBU) Immediately following the failed vote, PM Topolanek announced that his government would resign, as required by the constitution. This will happen on October 11, following the cabinet's weekly meeting. With that announcement, all focus shifted to the President, who has the task of appointing a new cabinet. Even before he returned to Prague from an extended visit to Asia on October 5, Klaus had announced that he would not appoint a new cabinet until after

the conclusion of the Senate and local elections (October 20-21, with the second round of Senate voting October 27-28). Likewise, even before his return officials close to Klaus (primarily his political advisor Ladislav Jakl) began making noises about the need for a technocratic government and early elections. Over the weekend Prague Mayor Pavel Bem (an ODS vice chair and known confidant of Klaus) announced that if Topolanek was again chosen by Klaus to form a government, it would have a technocratic character and Topolanek himself would not insist on becoming Prime Minister. The President's efforts appear to be having success: even KSCM has announced that it would be in favor of a "national unity government" and early elections.

- ¶4. (SBU) There are two problems with this scenario. First, it is not clear how Klaus proposes to get to early elections. The simplest way is for three attempts to form a government to fail. Topolanek's was the first. If the second attempt fails, the Speaker of Parliament, not the President, gets to select the prime minister. A vote to dissolve the current parliament is possible but not certain since many deputies can reasonably expect not to regain their seats. And that leads to the second problem: CSSD is not yet on board. Paroubek continue to insist that he can form a government and should be given the chance (indeed, he insists that Klaus promised him the second chance, something Klaus denies).
- ¶5. (SBU) Speculation is already rampant about who could lead a technocratic government, with many reaching back to leaders from the early 1990s. The press on October 9 focused on former Czechoslovak PM Jan Stransky. Former Czech Minister of Economy Vladimir Dlouhy has been mentioned. Other candidates include well-respected regional leaders. The governor of Northern Moravia, Evzen Tosenovsky, made a surprise announcement last week that he would consider

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running for ODS Chairman at the party's November Congress, but only if Topolanek did not run (Tosenovsky has long said he had no interest in national office); he subsequently announced he would not be interested in serving in a limited mandate government. Accepting that an ODS member would not be suitable at the head of a technocratic government, some in ODS have suggested the only non-ODS governor: Stanislav Juranek of Southern Moravia.

- 16. (SBU) The coming weeks will see many names floated for prime minister, and likewise much speculation about new leadership in ODS and KDU-CSL (ODS's party congress is November 14-17; KDU-CSL on December 9). Both are vulnerable in the upcoming Senate and local elections. ODS is defending ten of the 27 Senate seats being contested this round, as well as many of the mayoral seats across the country; KDU-CSL has seven Senate seats to defend (by contrast, CSSD has only one). Topolanek is known to be losing support within his party, and the defeat in the vote of confidence will not help. At least one local party chapter has already called for him to be replaced. However, most debate is going on behind closed doors.
- 17. (SBU) Reaction to the collapse of the Topolanek government and the prolongation of the political stalemate has been muted. The economy remains untouched by the political muted. "crisis" (Ref B). Business leaders are not yet concerned by the fact that the Parliament has done no work since June, and will not do any before November (the Parliament has canceled its October sessions to permit deputies to campaign for their parties). Of greater concern to observers is the toll the stalemate is taking on society. The Czech public seems to be losing its interest in politics entirely: at a lunch on October 5, editors of the main national dailies told us that they are all anxious to find something other than political news to run on their headlines as a way of boosting lagging circulation. An early sign of political disaffection will be the upcoming elections. While local elections tend to bring out voters, the second round of the Senate election generally

sees turnout of less than 20%, and some fear that this year it could be much lower. That raises concerns as well about what could happen in new national elections next spring, as low voter turnout will tend to favor disciplined parties like KSCM.
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